

Rotman Alumni on the Move

by Carol Sevitt

Cara's Gail Regan offers food for thought

Gail Regan (MBA '78) and her ancestors have been providing food services to Canadians for more than 100 years. Regan's great-grandfather, Thomas Patrick Phelan, founded the Canada Railways News Company in 1883, which supplied food and news for Canadian train passengers travelling from Halifax to the West. His company was the predecessor of Canadian food giant Cara Operations Limited. Cara employs about 27,000 people through its various businesses: airline catering, Swiss Chalet, Harvey's, Beaver Foods (institutional catering), CaraFlex (health care catering), ATR (Canadian airline terminal restaurants), and Summit (regional food distribution).

Before joining the family business, Regan was a high school teacher at Loretto College School, got her PhD in Education, and taught at U of T's Faculty of Education. She got a taste of the business as a Cara Operations board member in 1978 — the same year she received her MBA from the Rotman School. Twenty-one years after joining the board, Regan is now the vice-chair of Cara Operations, president of Langar Company Ltd., a private holding company that finances Cara Holdings, and president of Cara Holdings.

Three Phelan women are now the controlling shareholders of Cara Operations — Regan, her sister Rosemary Robbins, and her niece Holiday Phelan-Johnson. This family involvement has been very positive for the company, according to Regan: "Cara has had a wide variation in its price/earnings multiple. Without the family presence, I don't know if the company would exist in its present form." Regan sees herself as a leader in the family, ensuring that all family members speak with one voice to management.

With Regan as its charitable officer, Cara Operations has funded a Professorship in Obstetrical Anaesthesia through the Women's College Hospital Foundation in the Centre for Research in Women's Health. This Centre is a joint venture between the hospital and the University of Toronto.

It's no coincidence that Cara supports the Centre for Research in Women's Health, as Regan is passionate about women's health issues. "Medicine developed on the battlefield and most of it is reactive — if someone got wounded, he was bandaged. I think that's the wrong model for women. Women have to use medicine proactively — for contraceptive control, for a planned birth experience, and to protect their heart and bones by using hormone replacement therapy after menopause."

Regan became actively involved in women's health care issues in 1977 by joining the board of Women's College Hospital. "The hospital was a model for women's health care," she says. In 1989, when an effort was made to merge Women's College Hospital with another large hospital, she led a group of women



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in a war against that merger. The fight went all the way to the Ontario Supreme Court. The court ruled that Regan's group, Friends of Women's College Hospital, had the right to hold a meeting of members of the corporation in which they could oust the hospital's board members. However, the board and CEO resigned before the meeting, and Regan's group of volunteers took over the board. "I was the de facto CEO of the hospital for eight months and had to give a lot of direction to management," she says. Regan's group of women won the battle, but not the war.

Ten years later, Women's College Hospital has now merged with Sunnybrook Hospital. "I think the merger is a huge mistake. I believe it would have been much better to let Women's College have autonomy as an incubator of new ideas in women's health — research and delivery." Regan hopes that much of the important work that was being done at Women's College Hospital will be preserved through the Institute for Research in Women's Health, under the auspices of the new merged hospital — Sunnybrook and Women's College Health Sciences Centre. Under Regan's presidency, Friends of Women's College Hospital continues to be a watchdog organization.

Having spent 20 years in the family business, Regan has some advice to recent graduates who might be contemplating joining their own family business: "No matter how modest the position or how important, don't take it without a contract. In any other business you can risk the ups and downs, and, at the higher levels, you always have a parachute. As a family member in a family business, if you don't have a contract you could be underpaid, overworked, or spend your career at a business which is then sold, leaving you without validation for your life's efforts," she says.

Food for thought from a Rotman alumna who's seen the inner workings of a five-generational family business.

KEN MCGUFFIN